

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

AUDIT REPORT

OF

CLERK OF THE CIRCUIT COURT

DUBOIS COUNTY, INDIANA

January 1, 2006 to December 31, 2006



**FILED**

07/27/2007



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Circuit Court Restitution Clerk	Cheryl R. Knies Ann Bennett	01-01-06 to 08-14-06 08-15-06 to 12-31-07
Circuit Court Judge	Hon. William E. Weikert	01-01-05 to 12-31-08
President of the County Council	Gregory A. Kendall	01-01-06 to 12-31-07
President of the Board of County Commissioners	John G. Burger	01-01-06 to 12-31-07



**STATE OF INDIANA**  
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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF DUBOIS COUNTY

We have audited the records of the Clerk of the Circuit Court for the period from January 1, 2006 to December 31, 2006, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Dubois County for the year 2006.

STATE BOARD OF ACCOUNTS

June 5, 2007

CLERK OF THE CIRCUIT COURT  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping, which were cited in the prior report, were again present during our period of audit:

1. For the period, January 1 through August 14, 2006, depository reconciliations of the Circuit Court Juvenile and Adult Restitution Account balances were not presented for audit, were not performed in a timely manner or were incorrect.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

2. For the period, January 1 through August 14, 2006, financial records were incomplete and not reflective of the activity of the restitution funds. The ledger presented for audit did not provide sufficient information to audit receipts, disbursements and ending balances or the accuracy or correctness of the transactions. For the period January through April 2006, receipts were not issued for the majority of collections and deposit of these collections sometimes exceeded two or more weeks. For the same period, checks issued to victims in payment of damages did not reflect the offender's restitution account.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balances should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

The following deficiencies relating to the recordkeeping pertain to the current audit period only:

3. From January 1 through August 14, 2006, subsidiary ledgers maintained for Circuit Court Juvenile and Adult Restitution Accounts were inadequate. The subsidiary ledgers presented for audit did not always reflect the name of the victim, the amount of restitution due that victim, nor were separate subsidiary ledgers maintained for each offender by cause number.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

4. For the period January 1 through August 14, 2006, a comparison of receipts to deposits and to subsidiary ledgers often could not be performed due to the lack of receipts being issued and the untimely deposit of collections. The subsidiary ledgers reflected changes made to audited transactions of the prior audit period, indicating that the entry was a duplicate entry.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balances should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

CLERK OF THE CIRCUIT COURT  
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AUDIT RESULTS AND COMMENTS  
(Continued)

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt it to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Manual for Counties, Chapter 1)

As of December 31, 2006, the recordkeeping had improved and forms were being maintained properly due to the hiring of a new bookkeeper.

DEPOSITS

As stated in the prior report, collections were consistently deposited later than the next business day.

Indiana Code 5-13-6-1(c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance . . ."

PRESCRIBED FORMS

The following prescribed or approved forms were not always in use or were not used as intended:

<u>Form</u>	<u>Form Number</u>
Receipt	General Form 352
Checks	General Form 353
Ledger of Receipts, Disbursements and Balances	General Form 358

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

A similar comment appeared in the prior report.

OVERPAYMENTS AND PAYMENTS MADE TO INCORRECT VICTIMS

As stated in the prior report, overpayments to victims and offenders were made during prior audit periods. All overpayments from the prior audit had been collected by December 31, 2006, with the exception of a \$15 overpayment to a victim. On April 4, 2007, Hon. Judge William E. Weikert voluntarily reimbursed the adult restitution account to cover the overpayment.

Tests of disbursements for the current audit period revealed the following errors:

1. A check issued on April 5, 2006, from the Circuit Court Adult Restitution Account in the amount of \$150 to the Dubois County Security Center (Commissary Fund) should have been paid to the Dubois County Treasurer. The payment was refunded from the Sheriff's Commissary Fund to the County Treasurer on March 26, 2007.
2. An overpayment of \$120.50 was made to the Dubois County Auditor on June 22, 2006. This overpayment was refunded to Circuit Court Adult Restitution on March 26, 2007.

CLERK OF THE CIRCUIT COURT  
DUBOIS COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

3. Restitution in the amount of \$176.80 was collected from one juvenile offender and erroneously paid to a victim of another juvenile offender's restitution cause. This error was corrected on March 26, 2007.
4. In one restitution cause, two offenders existed each with their own list of victims to receive restitution. Offender No. 1 paid his total restitution that was due of him. However, part of his restitution was paid out to the victims of Offender No. 2 leaving some of the victims of Offender No. 1 without compensation for damages even though Offender No. 1 does not owe any more restitution. Offender No. 2 paid less than 10% of his restitution due.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

RESTITUTION ITEMS OVER FIVE YEARS OLD

As stated in the prior report, our review of the adult and juvenile restitution items on hand revealed that several items had been on hand for a period of five years or longer.

Indiana Code 32-34-1-20(c) states in part: "Property that is held, issued, or owed in the ordinary course of a holder's business is presumed abandoned if the owner or apparent owner has not communicated in writing with the holder concerning the property or has not otherwise given an indication of interest in the property during the following times: . . . (6) For property or proceeds held by a court or a court clerk, five (5) years after the property or proceeds become distributable . . ."

Indiana Code 32-34-1-26(a) states in part: "A holder of property that is presumed abandoned and that is subject to custody as unclaimed property under this chapter shall report in writing to the attorney general concerning the property . . ."

Indiana Code 32-34-1-27(a) states: "Except as provided in subsections (b), (c), on the date a report is filed under section 26 of this chapter, the holder shall pay or deliver to the attorney general the property that is described in the report as unclaimed."

CLERK OF THE CIRCUIT COURT  
DUBOIS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 5, 2007, with Martha A. Wehr, Auditor; and Lawrence M. Vollmer, County Commissioner. The officials concurred with our audit findings.

The contents of this report were discussed on June 5, 2007, with John G. Burger, President of the Board of County Commissioners; Randall L. Fleck, County Commissioner; Jerry Hunefeld, County Council member; Ann Bennett, Circuit Court Restitution Clerk; and Hon. William E. Weikert, Circuit Court Judge.